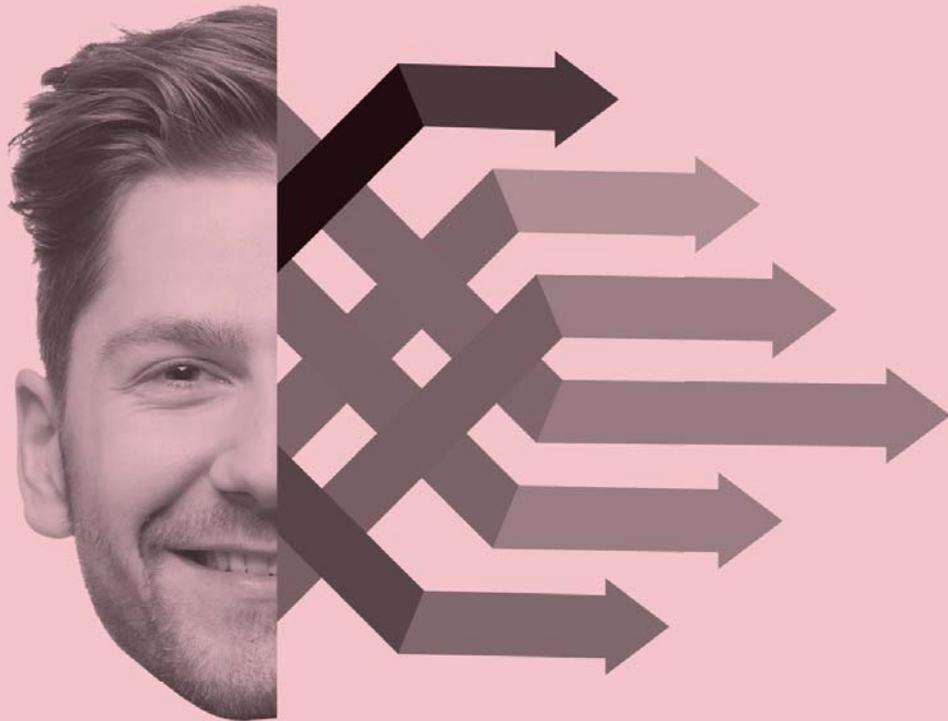


LAST KILOMETRE FREIGHT ISSUES AND OPPORTUNITIES REPORT

FEBRUARY 2015



CITY OF MELBOURNE



A CONNECTED CITY

We manage movement in and around our growing city to help people trade, meet, participate and move about safely and easily, enabling our community to access all the services and opportunities the municipality offers.

CONTENTS

Introduction	4
Issues and Opportunities Report	4
Aims and objectives	6
Issues and opportunities	11
Issues	12
The role of streets in freight delivery	12
Loss of street space and project communication	12
Buildings and access	13
Behaviour	13
Opportunities	14
Streets and infrastructure	14
Built form	14
Behaviour change	15
Bibliography	16

Issue 1 - Last Kilometre Freight

27 February 2015

Disclaimer

This report is provided for information and it does not purport to be complete. While care has been taken to ensure the content in the report is accurate, we cannot guarantee it is without flaw of any kind. There may be errors and omissions or it may not be wholly appropriate for your particular purposes. In addition, the publication is a snapshot in time based on historic information which is liable to change. The City of Melbourne accepts no responsibility and disclaims all liability for any error, loss or other consequence which may arise from you relying on any information contained in this report.

To find out how you can participate in the decision-making process for City of Melbourne's current and future initiatives, visit melbourne.vic.gov.au/getinvolved

INTRODUCTION

Issues and Opportunities Report

The City of Melbourne is growing. The numbers of people living, working and visiting the central city are increasing. This means more people using the city's roads and footpaths on foot or bicycle, in cars, trucks, vans and on public transport. More people in the city will mean more freight going into shops and offices to provide the things that people want: food, drink, office supplies and retail goods. These deliveries are known as 'last kilometre freight'. Without efficient last kilometre freight the dynamism and prosperity of our city could suffer.

This report summarises the issues that have been identified for last kilometre freight as city growth and other factors create challenges for deliveries. It also identifies opportunities for the future, including possibilities to address these issues.

There are a variety of stresses placed on efficient last kilometre freight delivery in the central city. Equally there are many opportunities for the City of Melbourne to investigate as we plan the future of the final journey of freight in an increasingly busy city centre, whilst ensuring the central city remains a prosperous place to do business and a great place to live and visit.

The issues and opportunities identified in this report, highlight the range of industries and organisations involved in ensuring effective freight delivery continues to underpin our city economy and our lively and convivial streets.

The issues and opportunities in this report have been drawn from a variety of sources. These include:

- "Getting it to Your Door" – a community workshop on freight issues held by City of Melbourne and the State Government of Victoria on 27 June 2014;
- Informal consultation with stakeholders;
- Consultation with officers from the Department of Economic Development, Transport and Resources; and
- Internal consultation with City of Melbourne officers.

Last Kilometre Freight Plan

The issues and opportunities presented in this report will be the subject of consultation with the central city community. We will also be asking the community for further ideas, challenges, problems and opportunities related to reducing the cost of deliveries, improving the reliability of deliveries and improving the amenity of the central city. Together, this information will inform a draft Last Kilometre Freight Plan. Once a draft plan has been developed, the City of Melbourne will provide another opportunity for the community to comment before a final plan is prepared, as illustrated in Figure 1.



Figure 1: Overview of Last Kilometre Freight Project

Why last kilometre freight in the central city?

The Last Kilometre Freight Project and this Issues and Opportunities Report is focussed on the central city (refer Figure 2). The central city presents one of the greatest challenges for last kilometre freight in metropolitan Melbourne. There are upwards of 840,000 people visiting the City of Melbourne daily (City of Melbourne, 2013). Also 9890 freight vehicles entered the Central Business District (CBD) daily during a survey period in February in 2012 (City of Melbourne, 2012).

Every day there are many people entering the City and the goods that they purchase and the offices they visit are supplied by freight vehicles traversing the last kilometre with global and local goods. In addition to this, we know that the central city is growing rapidly. The CBD experienced the fastest residential growth in Australia in the year to June 2013 (23 per cent) (The Age, 2014) and our daily visitors are expected to exceed 1.25 million by 2030 (City of Melbourne, 2013). Further information on the changing central city, including growth across different sectors, can be found in the Last Kilometre Freight Background Report 2015 (City of Melbourne, 2015).

City of Melbourne role

Freight vehicles form part of a complex and diverse inner city transport picture, mixing with pedestrians, cyclists, public transport users and private motor vehicle traffic. As the city continues to grow, the last kilometre freight task will increase in complexity. Therefore a coordinated effort is needed to manage central city streets and balance sometimes competing requirements. Any change within the freight industry needs to be driven by freight companies and the businesses that receive the freight, as well as all levels of government. The City of Melbourne has an important role facilitating change locally.

The City of Melbourne's role includes:

Supporting innovation - To ensure businesses, business precinct associations and other business groups in the City of Melbourne are aware of last kilometre freight innovations by highlighting best practice case studies and innovative approaches to freight and supporting and encouraging businesses' efforts to test innovative and efficient freight practices.

Leadership and advocacy - Supporting and advocating for changes that will increase the efficiency of the last kilometre freight task and enhance the public realm.

Building and strengthening partnerships - Partnering with and introducing key stakeholders, including community groups, precinct groups, local businesses, industry stakeholders and other government organisations to achieve the best freight outcomes to meet their needs.

Regulations and infrastructure management - Balancing freight needs with the needs of other city users and designing city infrastructure and regulations that are supportive of efficient freight and contribute to lively, convivial and safe streets for all users.

Research - Building an evidence base to guide action and decision-making including conducting research, collecting and interpreting data about freight supply and demand patterns and investigating barriers to change.



Figure 2: Central city

AIMS AND OBJECTIVES

To guide the development of the Last Kilometre Freight Project the following aims and objectives have been established.

The aims and objectives are drawn from a range of sources, including implementation of endorsed City of Melbourne policy and initial stakeholder consultation. Some, such as 'a busier central city' reflect what we know is happening and what we need to plan for to maintain our city's liveability and prosperity.

The vision "foster innovative low-impact freight in the central city" was established in the Transport Strategy 2012 and overarches the aims and objectives.

Within the aims and objectives, some of the benefits to the business and to the City have been identified in Table 1 below. By supporting efficient last kilometre freight and implementing change business by business, the effectiveness of freight within the central city will be enhanced.

Improvements or change to one business will have a flow on effect to other businesses in the central city as demonstrated in Figure 3.

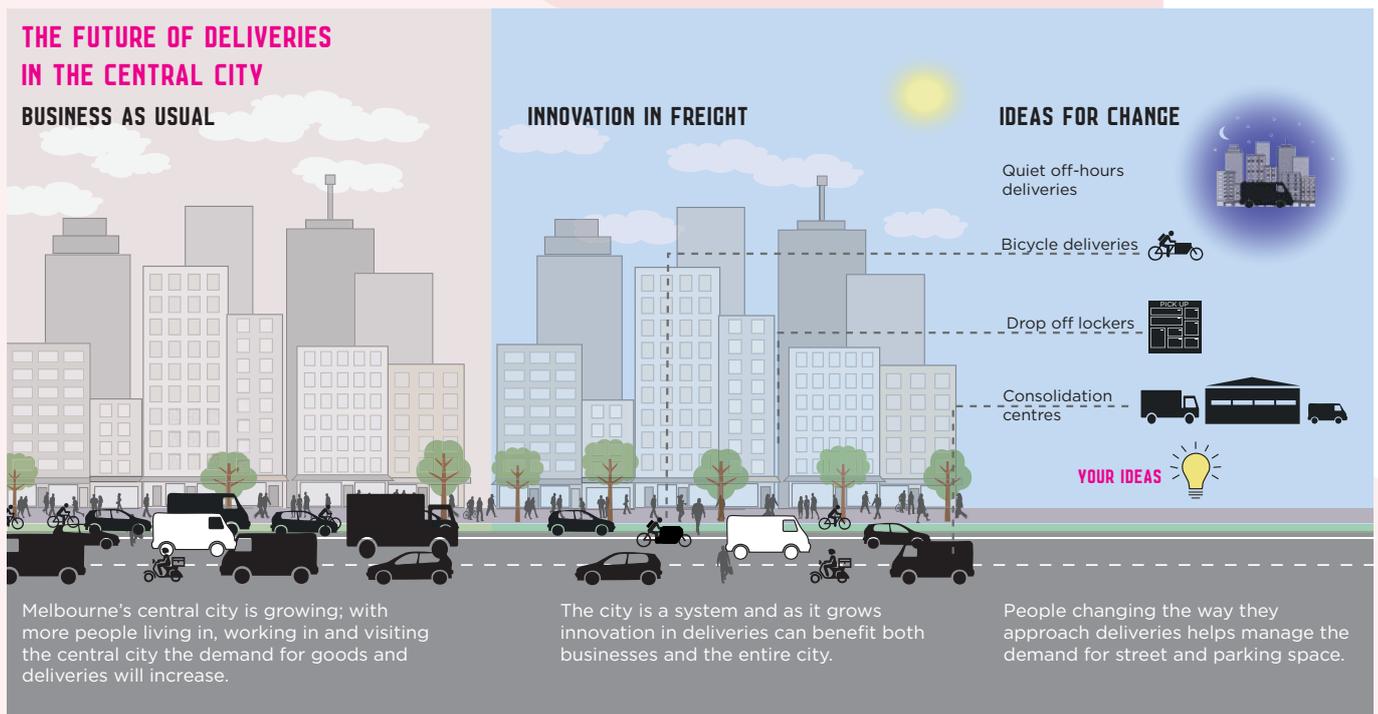


Figure 3: The future of deliveries in the central city

AIMS	OBJECTIVES	BENEFITS TO THE OPERATING BUSINESS	BENEFITS TO THE CENTRAL CITY
A busier central city	<p>Reliable and efficient delivery of goods and services to a growing number of residents, employees, businesses and daily visitors</p> <p>Encouraging deliveries outside of the central city's busiest hours by strategically timing deliveries to ensure the city's streets are best used throughout the day</p>	<p>Increased reliability and improved stock management</p> <p>Fewer delays in moving around the city</p> <p>Easier to find parking/loading zones</p> <p>Less potential conflict with other transport modes, including pedestrians</p> <p>Better Occupational Health and Safety (OH&S) Performance</p>	<p>Growth in the central city economy</p> <p>Enhanced reputation for transacting business with/ in the central city</p> <p>Reducing congestion - making space for other vehicles</p> <p>Parking spaces/loading zones freed up for other users</p> <p>Increased safety</p>
A prosperous central city	<p>Attract new, and grow existing business to maintain a sustainable and resilient municipal economy</p> <p>Reduce the cost of delivery to central city businesses and improve delivery reliability</p> <p>Improve the retail and hospitality experience in laneways and shopping and dining areas</p>	<p>Increased revenue</p> <p>Agglomeration with other businesses</p> <p>Improved financial return</p> <p>Improved public realm adjoining the business</p> <p>More people visiting</p>	<p>Increased economic output of the central city</p> <p>Improved reputation as a global city and a great place to do business</p> <p>Growth in the central city economy</p> <p>Supportive and thriving business community</p> <p>People spending more time experiencing the city and increased expenditure</p> <p>Improved reputation as a global city and a great place to visit and do business</p>

AIMS	OBJECTIVES	BENEFITS TO THE OPERATING BUSINESS	BENEFITS TO THE CENTRAL CITY
A prosperous central city (continued)	Facilitate market based solutions with central city businesses leading innovation	Change orientated to best meet business's needs More sustainable in the long term	Melbourne's reputation as a city of innovation Supportive and thriving business community
A sustainable, resilient central city	Lower greenhouse gas emissions from transport, including freight (e.g. reducing energy use per delivery)	Positive brand image Potentially more fuel efficient Potentially improved financial return	Cleaner, more sustainable city Assist Melbourne in reaching carbon neutral targets
Unique central city precincts	Protect and enhance distinct central city precincts Encourage and facilitate precinct co-operation, across and within the precincts to implement change	Precincts and their businesses have greater visitation, improved reputation and improved safety and amenity More efficient use of resources Coordinate efforts to achieve shared goals e.g. Degraeves Street waste station Enhanced reputation of precinct	Central city's reputation as a great place to visit and do business is enhanced Supportive and thriving business community Supportive and thriving business community Melbourne's reputation as a city of innovation
A city for people by enhancing and creating lively, safe and convivial streets	Smaller vehicles to contribute to the enhanced public realm Reduce the negative impact on amenity due to central city freight delivery and waste collection	More Fuel efficient Easier to park Easier to maneuver through the city Vehicles less likely to obstruct views of the business In the case of bikes, the ability to take more direct routes and can be quicker in congested conditions Improved public realm adjoining the business	Less likely to obstruct views and reduce visual amenity Reduced congestion Reduced vehicle emissions and energy use Cleaner city City's reputation as a liveable city is maintained People spending more time and perhaps more money in the central city

AIMS	OBJECTIVES	BENEFITS TO THE OPERATING BUSINESS	BENEFITS TO THE CENTRAL CITY
A city for people by enhancing and creating lively, safe and convivial streets (continued)	<p>Quieter vehicles in the central city to increase freight efficiency and reduce impact on amenity</p> <p>Fewer vehicles* entering the central city, through the consolidation of freight deliveries</p>	<p>Fewer complaints from residents and other city users leading to fewer restrictions on delivery timing and requests to alter services</p> <p>Cost effective</p> <p>Fuel efficient</p>	<p>Improved urban amenity</p> <p>Fewer noise complaints</p> <p>Reduced congestion</p> <p>Better utilisation of the city's streets at all hours</p> <p>Reduced congestion</p> <p>Improved amenity for pedestrians</p> <p>Increased parking spaces available for other users</p>
An integrated and connected central city transport network	Central city land use and transport projects have consideration of freight	The freight needs of the business are recognised in all projects, ranging from new transport infrastructure to street master plans	<p>Freight activity within the central city responds to the changing city throughout projects</p> <p>Changes that may impact on freight are identified early in project planning</p>

*relative to the number of deliveries



ISSUES AND OPPORTUNITIES

Work prepared to date has identified a number of issues and opportunities for investigating.

The issues and opportunities include those that can be led by the City of Melbourne, those that relate to internal processes at the City of Melbourne and areas where the organisation can partner, lead and/or facilitate to address the stresses and realise the potential opportunities raised. It is recognised that some issues and opportunities identified extend beyond the scope or role of the City of Melbourne, or may not align with City of Melbourne policy.

ISSUES

The role of streets in freight delivery

Loading zones and on street parking

Issues identified by stakeholders:

- The unauthorised use of loading zones occurs across multiple sectors. There is an issue with trades and construction related vehicles using loading zones. There is a concern that vehicles park illegally in loading zones and then regularly reshuffle to avoid enforcement. Bollards are also used on occasion in order to mark out loading zones for 'personal' use, without Council permission.
- Construction sites can sometimes occupy loading zones; therefore they are lost to delivery vehicles.
- Premium car services can be an issue. They sometimes use loading zones for extend periods waiting for their clients.
- Taxis spilling into Loading Zones where they adjoin Taxi Zones.
- Delivery vehicles overstaying their time in loading zones.
- Vehicles double parking or parking in 'No Standing' zones as they are not able to access their desired loading zone.
- Clarity of loading zone times e.g. if sign does not state a time for the loading zone it is 30 minutes, this can lead to confusion.
- 15 minutes for loading zones may not be long enough. This is particularly an issue when more complex/involved deliveries need to be undertaken, such as deliveries over multiple floors, deliveries which require sign in or equipment to be set up etc. However, if times are extended, fewer vehicles may be able to access them each day.
- A lack of loading zones and parking spaces near destinations at busy times.
- It feels like the number of spaces for delivery vehicles is dwindling.
- Lack of on-street spaces for delivery drivers – competition for spaces.

- Vehicles illegally using loading zones (e.g. occupying the space and putting hazards on); loading zones should be for trucks, vans and couriers.
- Vehicles occupying 'No Standing' zones for extended periods of time can 'block' freight traffic.
- Enforcement - A vehicle that has already been issued with a fine cannot have another fine issued (if the vehicle has not moved). This can make it difficult to motivate drivers to leave the loading zone once a fine has been issued as the vehicle can remain parked there all day without further repercussions.

Street design and function

Issues identified by stakeholders:

- Narrow lanes and streets.
- Laneways that lack pull over space for making deliveries (e.g. Punch Lane).
- Street closures for pedestrians can be good for business but it is likely to be harder for freight, this needs to be planned for.

Loss of street space and project communication

Other street infrastructure

Issue identified by stakeholders:

- Level access tram stops removing loading zones and parking spaces can restrict traffic flow and reduce the ability of delivery vehicles to stop to make a delivery. Deliveries in the city use both loading zones and standard parking spaces.

Construction

Issues identified by stakeholders:

- Road closures and congestion due to construction projects.
- Lack of coordination, and poor communication, about construction projects.



Buildings and access

Buildings and access

Issues identified by stakeholders:

- Buildings without numbers make it difficult for deliverers to see where they need to go.
- Residential buildings lacking delivery facilities.
- Small businesses can have little storage requiring frequent and on-time deliveries.
- Low ceiling car parks – some vehicles can't enter many of them due to height restrictions (trucks too tall).
- Difficulties delivering to apartments when people aren't at home and mail boxes can't be accessed. Difficult to leave note stating they have missed a delivery and deliveries can end up going back to depot.
- Some buildings don't want delivery drivers entering through the front entrance of the building due to security issues. They must enter through the back delivery entrance. Frustrating when the person making the delivery only has a few small parcels that can be carried by hand and don't require a trolley.
- Clause 52.06 of the Melbourne Planning Scheme doesn't require loading bays for waste collection and furniture removals in residential buildings.
- Access lanes to off-street loading zones can have a detrimental impact on the streetscape (e.g. active frontage, vehicle cross-overs, removal of fine grain shops).

Time of delivery

Issues identified by stakeholders:

- Restrictions on times deliveries can be made, for example some developers are investing in infrastructure to reduce noise from deliveries but are they receiving permission from Council to receive deliveries late at night? Further investigation into the issues arising from night time delivery is needed.
- Accessing the city around 7

am is usually fine, more issues encountered later (e.g. 12 noon).

- Some organisations / businesses cannot receive goods before 7 am as that is when their loading dock opens.

Way finding

Issue identified by stakeholders:

- Delivery drivers unable to find their destination.

Restricted traffic areas

Issues identified by stakeholders:

- The level of compliance in the Vehicle Access Zones.
- Awareness of the Vehicle Access Zones and the use of these areas by other vehicles.
- Confusion that the changes to the traffic conditions may have, e.g. parking restrictions and hours of operation.
- Safety of cyclists in Swanston Street may be compromised by delivery and other vehicles reducing available space for cyclists.

Behaviour

Organisational change

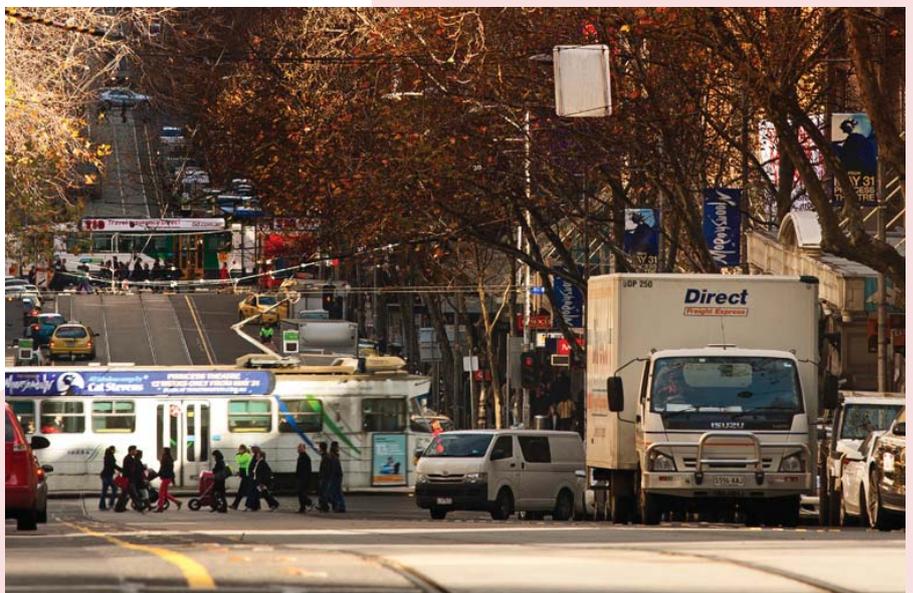
Issue identified by stakeholders:

- Changing behaviour of bigger organisations can be difficult and may limit ability to try new innovations.

Drivers for change

Issue identified by stakeholders:

- With less obvious impacts at stake, such as overflowing rubbish, changing last kilometre freight practices may not be a priority.



OPPORTUNITIES

Streets and infrastructure

Consolidated delivery

Opportunities identified by stakeholders:

- Consolidation centres in the outer central city. Opportunity for freight to be delivered to these locations for collection and delivery by other means, such as bicycle.
- Establish centralised delivery points so that drivers can park in one spot and deliver goods on foot.
- Businesses with storage space could be a distribution centre for other businesses and receive freight less frequently.
- Potential to capitalise on the overlap of vehicles that are accessing both restricted traffic areas and consolidate deliveries.
- Investigate if those areas currently utilising consolidated waste removal are interested in trialling innovative freight solutions for goods supply.
- Investigate the feasibility of implementing a program for goods delivery in line with that implemented as part of the Integrated Waste Management Program.
- Look for opportunities to consolidate deliveries to businesses which share laneways – e.g. Cocker Alley may be an opportunity to consolidate milk deliveries for businesses on Swanston Street.
- Work with business in the most intense hospitality and retail areas of the city to identify possible freight innovations.

Loading zones

Opportunities identified by stakeholders:

- Create a permit system for businesses that organise their own deliveries (like a residential parking permit system).

- Investigate if all loading zones signs, where the time limit is the default 30 minutes, should display the loading time.
- Investigate a position on the planning mechanisms to address the issues raised in relation to loading bay provision in new residential buildings.
- Convert private car parking to loading zones.

Street design and function

Opportunities identified by stakeholders:

- Remove through-traffic access to specific laneways and areas.
- Changes to street design and freight delivery as part of major transport infrastructure investment, such as Melbourne Metro and new tram infrastructure.

Built form

Building design and function

Opportunities identified by stakeholders:

- Ensure that buildings are designed for deliveries / freight.
- Support the development of parcel lockers.

Behaviour change

Time of delivery

Opportunities identified by stakeholders:

- Encourage deliveries before 8 am and after 5:30 pm (or 6 am to 8 am to reduce impacts on residents).
- To investigate a change in the tracking of noise complaints in relation to freight in accordance with any change in policy in relation to hours of delivery at the request of State Government or the City of Melbourne.

Technology and way finding

Opportunities identified by stakeholders:

- Develop an app that guides delivery drivers including showing available loading zones.
- Provide data that assists drivers in making decisions on where and how to deliver e.g. information on lanes etc.
- Overlay the streets as places with the loading zones and the traffic data to provide information to delivery companies about the City of Melbourne street space to assist driver decision making.
- Encourage technology start-ups which minimise empty truck kilometres and increase efficiency.

Best practice

Opportunities identified by stakeholders:

- Identify good practices from other cities such as New York and London.
- Identify good practice from industry (e.g. building design of Emporium and Crown Casino, route optimisation from 7-11).
- Work with the Queen Victoria Market Project, the Elizabeth Street Master Plan and other City of Melbourne projects and initiatives to ensure last kilometre freight issues and solutions are considered as the projects are developed and best practice last kilometre freight

initiatives are incorporated where appropriate.

Business identity

Opportunity identified by stakeholders:

- Leverage off bike couriers being considered as contributing to the image of some companies - the green and 'in-vogue' option.

Stakeholders

Opportunities identified by stakeholders:

- Work with retailers in the central city to identify innovations that assist with their management and delivery of stock.
- Work with the precinct associations to determine localised freight stresses and identify possible opportunities to facilitate optimal outcomes for each precinct.



Cargone Couriers riding along Flinders Street

BIBLIOGRAPHY

- City of Melbourne (2012). Last Kilometre Freight Report.
- City of Melbourne (2013). Daily Population Estimates and Forecasts (December 2013). Available: http://www.melbourne.vic.gov.au/AboutMelbourne/Statistics/Documents/Daily_population_model_2013_Report.pdf
- City of Melbourne (2015). Last Kilometre Freight Background Report. Available: <http://participate.melbourne.vic.gov.au/projects/innovate-freight/>
- The Age (2014). Population Record rise in city dwellers Melbourne tops nation's growth rate [Online]. Available at: <http://www.theage.com.au/victoria/population-record-rise-in-city-dwellers-melbourne-tops-nations-growth-rate-20140406-3673v.html>.

How to contact us

Online: melbourne.vic.gov.au

In person:

Melbourne Town Hall - Administration Building
120 Swanston Street, Melbourne
7.30am to 5pm, Monday to Friday
(Public holidays excluded)

Telephone: 03 9658 9658

7.30am to 6pm, Monday to Friday
(Public holidays excluded)

In writing:

City of Melbourne
GPO Box 1603
Melbourne VIC 3001
Australia

Fax: 03 9654 4854

Translation services:

03 9280 0716	አማርኛ
03 9280 0717	廣東話
03 9280 0718	Ελληνικά
03 9280 0719	Bahasa Indonesia
03 9280 0720	Italiano
03 9280 0721	國語
03 9280 0722	Soomaali
03 9280 0723	Español
03 9280 0724	Türkçe
03 9280 0725	Việt Ngữ
03 9280 0726	All other languages

National Relay Service: If you are deaf, hearing impaired or speech-impaired, call us via the National Relay Service: Teletypewriter (TTY) users phone 1300 555 727 then ask for 03 9658 9658
9am to 5pm, Monday to Friday
(Public holidays excluded)

participate.melbourne.vic.gov.au/freight



CITY OF MELBOURNE